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AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

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February 9, 2000

To: Supervisor Gloria Molina, Chair
Supervisor Yvonne Brathwaite Burke
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: Alan Sasaki 
Auditor-Controller

Subject: **Annual Report on Foundations and Support Groups**

On January 4, 1994, your Board adopted requirements governing departmental relationships with foundations and support groups. The adopted procedures, which were also incorporated into the County Fiscal Manual, defined the types of organizations that qualify as "reportable foundations," and established requirements for County departments to monitor, account for and report on their relationships with reportable foundations. These procedures also require County departments to file an annual benefit/cost report with the Board of Supervisors and the Auditor-Controller on each reportable foundation.

On the attachment, we have summarized the information provided by departments in their reports of foundation activities for the 1998-99 fiscal year. The data on the attachment is for information only; it has not been audited by my staff. The total number of foundations reported by departments in FY 1998-99 increased substantially from the prior fiscal year. This is primarily because the Department of Parks and Recreation reported on 52 small neighborhood support groups.

Highlights of Summary

County departments and commissions reported:

- Affiliations with 201 foundations. Seventeen County departments and commissions reported affiliations with one or more foundations, and 20 departments reported no affiliations.
- Receipt of \$108 million in tangible benefits from foundations. Ninety-one percent of the reported tangible benefits was from the Museum of Art and the Museum of Natural History.

- Support provided to foundations totaling \$22.6 million. Eighty-one percent of the reported support was provided by the two Museums. The Museums reported tangible benefits in excess of services provided.
- 105 foundations that provided more tangible benefits to the County than support received from the County. This includes 68 Public Library Friends/local support groups that were reported on as a group, not individually.
- 11 foundations received more County support than the tangible benefits they provided to the County. In only two cases (the Los Amigos Research & Education Institute, Inc. and the Descanso Gardens Guild, Inc.), were the County costs significant and, in each case, the County receives significant intangible benefits. In several cases, the departments/foundations did not identify or quantify the intangible benefits being received from the foundations. In each case, based on the purpose of the foundation, we concluded the department or the County did, in fact, receive intangible benefits from the foundations. Intangible benefits identified included volunteer childcare services, hospital patient and family support/counseling, youth activities, and promoting goodwill in the community.
- Incomplete or no financial data for the remaining 85 foundations/support groups. (This includes 52 small neighborhood support groups reported on as a group by the Department of Parks and Recreation.) Therefore, we could not determine if affiliations with these foundations are cost effective. In most cases, departments reported intangible benefits and minimal or no County costs associated with the relationships.

Conclusion

County departments report that their affiliations with foundations have resulted in tangible and intangible benefits to the County that exceed the amount of support (financial and non-financial) provided to the foundations by the County.

Please call me or have your staff call Mort Carson at (213) 974-0306 if you have any questions.

AS:PTM:MDC
1999 FOUNDATION ACTIVITIES.DOC

Attachment

c: David E. Janssen, Chief Administrative Officer
Violet Varona-Lukens, Executive Officer, Clerk of the Board
Public Information Office
Audit Committee (6)

**Departments Reporting Associations with Foundations or Support Groups
in Fiscal Year 1998-99**

<u>Department</u>	<u>Number of Groups Reported</u>	<u>Group or Foundation</u>	<u>Departmental Support Provided to Foundation (1)</u>	<u>Tangible Benefits Received by the County (1)</u>	<u>Additional Intangible Benefits Received by County (1)</u>
HS -- LAC+USC Medical Center	11	Community & Human Resources Agency "CHARO"	8,000	0	Yes
		Foster Grandparent Program	0	0	Yes
		Health Research Association, Inc	0	431,000	Yes
		John Wesley Community Health Institute, Inc.	N/A	0	Yes
		John Wesley Community Institute, Inc.	N/A	200,000	No
		LAC+USC Medical Center Auxiliary "CARES"	326,000	354,000	Yes
		LAC+USC Medical Center Foundation	0	28,000	No
		National Charity League	0	40,000	Yes
		National Council on the Aging	0	0	Yes
		Self Realization Fellowship	0	3,000	Yes
		Starlight Foundation	0	33,000	Yes
HS -- Harbor/UCLA Medical Center	3	Research and Education Institute, Inc.	620,000	1,082,000	Yes
		Harbor - UCLA Medical Foundation, Inc.	389,000	2,686,000	Yes
		Harbor - UCLA Medical Center Guild	51,000	27,000	Yes
HS -- MLK, Jr./Drew Medical Center	3	King/Drew Medical Foundation, Inc.	0	575,000	No
		King/Drew Medical Center - Auxiliary	0	13,000	Yes
		MLK, Jr. General Hospital Foundation	0	91,000	No
HS -- Rancho Los Amigos National Rehabilitation Center	2	Rancho Los Amigos Foundation	67,000	282,000	Yes
		Los Amigos Research & Education Institute, Inc.	488,000	6,000	Yes
HS -- Olive View/UCLA Medical Center	6	Canteen Fund	0	18,000	No
		Olive View Guild	0	0	Yes
		Olive View Medical Center Auxiliary	0	0	Yes
		Olive View/UCLA Education & Research Institute, Inc.	0	0	Yes
		Olive View/UCLA Medical Center Foundation, Inc.	0	0	Yes
		Patient Welfare Fund	0	3,000	No
HS -- High Desert Hospital	2	High Desert Hospital Auxiliary	12,000	43,000	Yes
		Professional Staff Association (PSA)	0	1,000	Yes

Footnotes:

N/A -- Information not provided.

(1) See Footnote (1) on Page 4.

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HS -- Public Health Programs	3	Public Health Foundation Enterprises, Inc.	0	0	No
		Therapy Education Fund - Public Health Foundation	0	1,300	No
		Therapy Recruitment and Retention Fund - Public Health Foundation	0	0	No
Mental Health	5	Guardian Circle	58,000	0	Yes
		Hollywood Community Mental Health Foundation	N/A	N/A	N/A
		Latino Behavioral Health Institute	N/A	N/A	N/A
		National Alliance for Metal Illness - South Bay Chapter	10,000	0	Yes
		Project Let's Help	1,000	3,000	No
Military & Veterans Affairs	1	Friends of Patriotic Hall	0	0	No
Museum of Art	1	Museum Associates	17,503,000	86,795,000	Yes
Museum of Natural History	1	Museum of Natural History Foundation	778,000	11,651,000	Yes
Parks and Recreation	66	Aquatic Foundation of Metropolitan Los Angeles	18,000	0	Yes
		Bonelli Park Support Foundation	0	5,000	Yes
		California Aboretum Foundation, Inc.	353,000	618,000	Yes
		Descanso Gardens Guild, Inc.	1,453,000	0	Yes
		Friends of Castaic Lake	0	20,000	Yes
		Friends of Greater Los Angeles Parks	10,000	3,000	Yes
		Friends of Hart Park Museum	0	19,000	Yes
		Friends of Jackie Robinson Park	0	0	Yes
		Nature Center Associates of Los Angeles County	0	0	Yes
		Regional Park & Recreation Group (Whittier Narrows)	5,000	4,000	Yes
		Santa Fe Dam Recreational Area Support Foundation	0	6,000	Yes
		Schabarum Park Support Foundation	0	1,000	Yes
		Small Neighborhood Support Group (52)	0	0	Yes
		South Coast Botanic Garden Foundation	0	25,000	Yes
		The Friends of Robinson Gardens	0	0	Yes

Footnotes:

N/A -- Information not provided.

(1) See Footnote (1) on Page 4.

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Public Library	69	County Library Foundation	42,000	882,000	Yes
		Public Library Friends/ Local Support Groups--68 Grps	26,000	478,000	Yes
Sheriff (2)	1	Sheriff's Youth Foundation	159,000	700,000	Yes
Superior Court	2	Friends of Child Advocate	11,000	323,000	Yes
		Probate Volunteer Visitation Alliance	0	0	Yes
Total Support Groups	<u>201</u>		<u>22,578,000</u>	<u>108,049,300</u>	

Footnotes:

N/A -- Information not provided.

- (1) All financial information reported has been taken from the Annual Reporting Forms and other documents provided by the Department. In some cases, the specific information requested was not reported and where amounts are reported, they are estimates based on other information available. In some cases, the reported County costs of supporting a Foundation are more than the tangible benefits received by the County. However, in almost all cases, significant additional intangible benefits are reported. None of the information on this schedule has been audited by County staff.
- (2) In prior years, the Sheriff reported that individual stations had Youth Foundation or Youth Activity League associations. For FY 1998-99, they only reported on the parent Youth Foundation organization.

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Animal Care and Control	1	LAC Animal Care Foundation	18,000	32,000	Yes
LAC Arts Commission (Board of Supervisors)	1	Ford Theater Foundation	13,000	56,000	Yes
Board of Supervisors	1	Childrens Planning Council Foundation Inc.	12,000	0	Yes
Children & Family Services	1	Youth Opportunites United	67,000	155,000	Yes
Community Development Commission	1	LAC Community Development Foundation	63,000	0	Yes
Community and Senior Services	3	Community Services Resource Corp.	2,000	224,000	No
		Friends of Altadena Senior Center	0	24,000	Yes
		Friends of Antelope Valley Senior Center	0	13,000	Yes
District Attorney	1	DA Crime Prevention Foundation	15,000	95,000	Yes
Fire Department	16	Alisa Ann Ruch - California Burn Foundation	N/A	N/A	Yes
		American Red Cross	N/A	N/A	Yes
		Association of Chiefs	N/A	N/A	Yes
		Benefit and Welfare Association	N/A	N/A	Yes
		California Contract Cities Association	N/A	N/A	Yes
		California Fire Chief's Association	N/A	N/A	Yes
		Chaplains' Benevolent Fund	N/A	N/A	Yes
		Explorer Scout Program	N/A	N/A	Yes
		Fire Museum Associaton	N/A	N/A	Yes
		Fire Fighter's Memorial Committee	N/A	N/A	Yes
		Firemen's Relief Association	N/A	N/A	Yes
		International Association of Fire Chiefs	N/A	N/A	Yes
		LAC Black Fire Fighters Association - Stentorians	N/A	N/A	Yes
		LAC Bomberos Association, Inc.	N/A	N/A	Yes
		National Fire Protection Association	N/A	N/A	Yes
		South Bay Surf Club	N/A	N/A	Yes

Footnotes:

N/A -- Information not provided.

(1) See Footnote (1) on Page 4.

Departments Reporting No Foundations Or Support Groups

Department

1. **Agricultural Commissioner/Weights and Measures**
2. **Alternate Public Defender**
3. **Assessor**
4. **Auditor-Controller**
5. **Beaches and Harbors**
6. **Chief Administrative Office**
7. **Consumer Affairs**
8. **Coroner**
9. **County Counsel**
10. **Human Resources**
11. **Internal Services Department**
12. **Office of Affirmative Action Compliance**
13. **Office of Ombudsman**
14. **Probation**
15. **Public Defender**
16. **Public Social Services**
17. **Public Works (1)**
18. **Registrar-Recorder/County Clerk**
19. **Regional Planning**
20. **Treasurer and Tax Collector**

- (1) **Public Works reported association with groups or individuals who volunteer for litter pick-up along County roads. These do not appear to qualify as reportable Foundations.**

NO FOUNDATIONS